

## INTERIM REPORT for 1 January – 31 March 2018: Revenue grew by 2.5% in Q1 and EBITDA was on the same level as in previous year

Verkkokauppa.com Oyj – Interim report (unaudited) 4 May 2018, 8:00 a.m.

### 1 January – 31 March 2018 in brief

- Revenue 102.5 million euros (1–3/2017: 100.0), growth of 2.5%
- Gross profit 16.3 million euros (13.7), growth of 18.8%
- Gross margin 15.9% of revenue (13.8%)
- EBITDA 2.4 million euros (2.5)
- EBITDA margin 2.3% (2.5%)
- Operating profit 2.0 million euros (2.1)
- Operating margin 2.0% of revenue (2.1%)
- Net profit 1.6 million euros (1.5)
- Earnings per share 0.04 euros (0.03)
- Verkkokauppa.com opened a new megastore in Raisio on March 8
- The Board of Directors has resolved to pay a quarterly dividend of 0.045 euros per

KEY RATIOS	1-3/2018	1-3/2017*	Change%	1-12/2017
Revenue, € thousands	102,513	99,971	2.5%	431,804
Gross profit, € thousands	16,330	13,749	19%	62,319
Gross margin, % of revenue	15.9%	13.8%		14.4%
EBITDA, € thousands	2,365	2,450	-3%	13,053
EBITDA, %	2.3%	2.5%		3.0%
Operating profit, € thousands	2,033	2,149	-5%	11,701
Operating margin, % of revenue	2.0%	2.1%		2.7%
Net profit, € thousands	1,633	1,549	5%	9,782

\* Comparable figures are adjusted according to company release 7 February 2018

### BUSINESS OUTLOOK

Verkkokauppa.com Oyj's business operations are estimated to develop positively within a medium-term time frame. The management believes that the company will succeed in further growing its market share in chosen segments. The strong balance sheet enables the company to continue expanding its operations in accordance with its strategy. The Finnish Ministry of Finance estimated on 13 April 2018 that the Finnish GDP will grow by 2.6% during 2018 and by 2.2% during 2019.

### FINANCIAL GUIDANCE - Unchanged

Strong GDP growth in Finland and the opening of the new Raisio megastore are likely to contribute positively to Verkkokauppa.com's revenue. On the other hand, the company had unusually high wholesale volumes in H1/2017. The wholesale volumes in H1/2018 are expected to decrease significantly compared to H1/2017. The Raisio store opening costs will mainly accrue in H1/2018. Thus, both sales growth and profitability will be clearly higher in the latter half of year 2018.

In 2018, the company's revenue is expected to be between 460–500 million euros (2017: 432 million euros) and comparable EBITDA to be between 11–14 million euros (13 million euros).

## **CEO PANU PORKKA'S REVIEW**

Verkkokauppa.com's revenue grew by 2.5%, amounting to 102.5 million euros, with an EBITDA margin of 2.3% in Q1. Thus, Verkkokauppa.com's Q1 was slow, as expected. The company's main focus in recent months has been on launching the new Raisio megastore. Both gross margin and EBITDA were burdened by costs relating to preparations and opening of the Raisio megastore. Wholesale trade sales were also significantly lower in Q1 2018 than the year before, as expected. However, the company's market share grew in almost all categories in Q1, according to GfK.

In Q1, according to GfK, the consumer electronics market grew by just 1.8 percent in Finland. Verkkokauppa.com continued to grow faster than the market, gaining market share with actions aimed at growing even faster. Thanks to its strong financial position, Verkkokauppa.com is ready to face a significantly more competitive market and to gain even more market share.

The year 2018 is expected to bring further growth, boosted by the opening of the new Raisio megastore and the anticipated GDP growth in Finland. However, the competitive situation and development of wholesale may create some uncertainty in H1. Compared to H1, the company expects sales growth and profitability to be clearly higher in the latter half of year 2018. For 2018, revenue is expected to be between 460–500 million euros (2017: 432 million euros) and comparable EBITDA between 11–14 million euros (2017: 13 million euros).

Verkkokauppa.com's fourth megastore was launched in Raisio, on 8 March 2018. Theme of launch, "100 Days of Mega Opening", includes various marketing activities, such as great offers and different activities in the store. The successful grand opening brought plenty of customers to the store and gained a great deal of media attention, making Verkkokauppa.com even better known in the Turku region. Planned promotional activities to support the launch will continue in Q2, and they are expected to have a negative impact on the gross margin and fixed costs.

Both Raisio and Pirkkala stores are built in accordance with Verkkokauppa.com's new store concept. In addition, the Oulu store received a facelift last year to conform to the new store concept.

The company is in the process of updating its business plan, with a strong focus on customer experience, omni-channel experience and improved brand marketing. Investments in customer experience and cost-saving technologies and projects will continue in 2018.

Verkkokauppa.com's Management Team will see changes in Q3, as the company has appointed Tommi Jylhä-Vuorio as Sales Director and Seppo Niemelä as Marketing and Communications Director, who will both join the Management Team. As a result of the appointments, some of the current members of the Management Team will be joining a new Extended Management Team focusing on the company's strategy. These changes will help the company focus on customer experience and brand marketing.

In Q1, Verkkokauppa.com turned a page in its history as founder and long-time CEO Samuli Seppälä handed the position of CEO over to Panu Porkka on the 22 March 2018. We are grateful for everything Samuli has done for the company and look forward to continuing this great journey together with the Management Team and all of our employees.

The company expects to continue its growth in the medium-term, supported by a positive retail market, GDP growth in Finland, and a strategy focused on growth. An estimated one per cent, or 400 million euros, of brick-and-mortar retail sales goes online every year in Finland, with the current share of online sales being approximately 10%.

KEY RATIOS AND PERFORMANCE INDICATORS	1-3/2018	1-3/2017*	1-12/2017
Revenue, € thousands	102,513	99,971	431,804
Gross profit, € thousands	16,330	13,749	62,319
Gross margin, % of revenue	15.9%	13.8%	14.4%
EBITDA, € thousands	2,365	2,450	13,053
EBITDA, %	2.3%	2.5%	3.0%
Operating profit, € thousands	2,033	2,149	11,701
Operating margin, % of revenue	2.0%	2.1%	2.7%
Net profit, € thousands	1,633	1,549	9,782
Equity ratio, %	41.8%	43.7%	33.8%
Return on investment, % rolling 12 months	30.2%	39.5%	30.3%
Net gearing, %	-69.1%	-78.0%	-127.4%
Earnings per share (EPS) revised by share split, €	0.04	0.03	0.22
Earnings per share (EPS) revised by share split (diluted), €	0.04	0.03	0.22
Number of shares at end of period	45,065,130	45,065,130	45,065,130
Average number of shares at end of period revised by share split	45,065,130	45,065,130	45,065,130
Number of shares at end of period revised by share split	45,065,130	45,065,130	45,065,130
Number of personnel* at end of period	681	561	633

\*The number of personnel includes both full- and part-time employees.

\*\* Comparable figures are adjusted according to company release 7 February 2018

Verkkokauppa.com presents Alternative Performance Measures to reflect the underlying business performance and to enhance comparability between financial periods. In its reporting, Verkkokauppa.com uses terminology in accordance with the guidelines issued by the European Securities and Markets Authority (ESMA) concerning Alternative Performance Measures. Comparable performance measures exclude the income statement impact of certain non-operational items affecting comparability. Items affecting comparability are presented in the financial table section.

An item affecting comparability is an income or expense arising from non-recurring or rare events. Items affecting comparability are recognised in the profit and loss statement within the corresponding income or expense group.

## REVENUE AND PROFITABILITY DEVELOPMENT

January–March 2018

In January–March, Verkkokauppa.com Oyj's revenue grew by 2.5% year on year. Revenue grew by 2.5 million euros, totalling 102.5 million euros (100.0). Revenue increased particularly in televisions, small domestic appliances (SDA), components, Audio & Hi-Fi and major domestic appliances (MDA).

According to GfK, the demand for consumer electronics increased by 1.8% during January–March in Finland.

As in the previous quarter and in the comparison period, a part of the sales increase was due to large wholesale volumes to customers who export the goods. This part of sales decreased year on year. The volume of these sales is typically difficult to estimate, and their profitability is low. However, these sales contribute to the company's purchasing volumes and thus improve the company's position in relation to its suppliers.

On 8 March 2018 Verkkokauppa.com opened a new megastore in Raisio. It is the company's fourth megastore.

Personnel costs increased in January–March by 16.1% to 7.1 million euros (6.1). The increase resulted mainly from the growing number of personnel in stores and in support functions (customer service and administration). During

the first quarter, other expenses increased by 1.7 million euros to 6.9 million euros (5.2). The increase resulted mainly from the launch of the new store in Raisio and the increase in company's own customer finance, Apuraha, portfolio.

Operating profit in January–March 2018 was 2.0 million euros (2.1) and net profit 1.6 million euros (1.5).

Earnings per share were 0.04 euros (0.03).

## **FINANCE AND INVESTMENTS**

Operating cash flow was -21.7 million euros (-10.3) in January–March 2018. In the reporting period, the negative impact of the operating cash flow mainly resulted from a decrease in accounts payables.

Ordinary seasonal fluctuations are reflected in cash and cash equivalents, cash flow and accounts payable, which usually reach the highest point at year-end and the lowest point at the end of the second quarter. Verkkokauppa.com has utilized the maximum amount of cash discounts.

During the reporting period, the company invested in the development of new ERP features, which resulted in the capitalization of 0.1 million euros in the IT department's salary expenses and external technology consulting fees. The company also invested in ordinary store equipment and furniture. Net capital expenditures were 0.6 million euros (0.2) in January–March 2018.

On 31 March 2018, Verkkokauppa.com had a revolving credit facility of 15 million euros, which had not been utilized.

## **FINANCIAL TARGETS**

The company targets an annual revenue growth of 10–20% in the medium term. The company's medium-term objective is a growing EBITDA and an EBITDA margin of 3–5%. The company's dividend policy is to pay out a quarterly growing dividend.

## **SHARES AND SHARE TRADING**

The total number of shares in the company was 45,065,130 on 31 March 2018.

Over the reporting period 1,543,505 shares were exchanged on the NASDAQ OMX First North Finland market, representing 3.4% of all shares in the company. The highest share price was 8.09 euros and the lowest 4.95 euros. The average price in share trading was 6.48 euros. The total of the share trading was 10.0 million euros. The closing price was 5.30 euros, and the market value of all shares was 239 million euros at the end of the period.

The company does not own any of its own shares.

## **PERSONNEL AND MANAGEMENT**

During the reporting period, the number of employees increased by 70, and the total number of employees was 681 (561) at the end of March 2018. The number of employees includes both full- and part-time employees.

Verkkokauppa.com Oyj's new CEO Panu Porkka assumed his duties as the CEO on 22 March 2018.

On 3 April 2018 the company appointed Tommi Jylhä-Vuorio as Sales Director and Seppo Niemelä as Marketing and Communications Director. They are expected to start in their respective positions at the latest on or about 3 October 2018. As a result of the appointments, the Company is also establishing an Extended Management Team, to which Services Director Timo Halonen, Web Sales Director Esa Hjerpppe, and Sales Director, Retail Stores, Markus Pätilä will join from the current Management Team.

Verkkokauppa.com Oyj's Management Team:

- Panu Porkka, CEO
- Jussi Tallgren, CFO
- Henrik Weckström, CTO
- Miika Heinonen, Logistics Director
- Vesa Järveläinen, Purchasing Director
- Seppo Niemelä, Marketing and Communications Director, starting on or about 3 October 2018 at the latest
- Tommi Jylhä-Vuorio, Sales Director, starting on or about 3 October 2018 at the latest

Verkkokauppa.com Oyj's Extended Management Team:

- Panu Porkka, CEO
- Jussi Tallgren, CFO
- Henrik Weckström, CTO
- Miika Heinonen, Logistics Director
- Vesa Järveläinen, Purchasing Director
- Seppo Niemelä, Marketing and Communications Director, starting on or about 3 October 2018 at the latest
- Tommi Jylhä-Vuorio, Sales Director, starting on or about 3 October 2018 at the latest
- Timo Halonen, Services Director
- Esa Hjerpe, Web Sales Director
- Markus Pätilä, Sales Director, Retail Stores

## **RISKS AND UNCERTAINTIES**

Verkkokauppa.com Oyj's risks and uncertainties reflect the market and general economic trends, for example, demand for consumer electronics, wholesale trade business, the business environment and competition. The company's business operations are also influenced by risks and uncertainties relating to, for example, business strategy, investments, procurement and logistics, information technology, and other operative aspects of the business. The aforementioned risks and uncertainties may affect the company's operations, financial position and performance both positively and negatively. Risks and uncertainties have been presented in more detail in the Annual Report 2017.

## **LITIGATION AND DISPUTES**

Verkkokauppa.com has no open litigation issues nor any significant disputes.

## **ANNUAL GENERAL MEETING 2018**

The Annual General Meeting was held in Helsinki on 21 March 2018. The financial statements for the year 2017 were approved and the Board Members and the CEO were discharged from liability with respect to financial year 2017. It was resolved to pay a dividend of 0.044 euros per share, totalling 1,982,865.72 euros.

The Annual General Meeting authorized the Board of Directors to decide in its discretion on the distribution of dividends as follows:

The total amount of the dividend distribution based on this authorization shall not exceed EUR 0.138 per share (the instalments may differ from each other), in total not exceeding EUR 6,218,987.94. The authorization is valid until the opening of the next Annual General Meeting.

Unless the Board of Directors decides otherwise, the authorization will be used to distribute dividend three times during the period of validity of the authorization and the payment dates of the dividends will be on 16 May 2018, 21 August 2018 and 6 November 2018. The Board of Directors will decide on the record date in connection with each

dividend payment decision and the company will make separate announcements of Board resolutions. Before the Board of Directors implements the resolution regarding the distribution of dividend, it must assess, from the viewpoint of Company's solvency and/or financial position, whether the requirements in the Finnish Companies Act for dividend distribution are fulfilled.

At the Annual General Meeting held on 21 March 2018, all Board Members were elected until the end of the next Annual General Meeting. Christoffer Häggblom, Robert Burén, Mikael Hagman, Kai Seikku, Arja Talma and Samuli Seppälä were elected as members of the Board of Directors. The Board elected Christoffer Häggblom as the Chairman of the Board. Panu Porkka is the company's Chief Executive Officer since 22 March 2018.

The Authorized Public Accountant PricewaterhouseCoopers Oy was re-elected as the auditor, who has notified the company that Authorized Public Accountant Ylva Eriksson will be acting as the Principal Auditor.

After the Annual General Meeting Verkkokauppa.com Oyj Board of Directors held an organisational meeting, where it resolved on the Board committees. It decided to continue with the following board committees: Audit Committee, Nomination and Remuneration Committee and Strategy Committee. The Audit Committee consists of Board Members Kai Seikku (Chairman), Samuli Seppälä, Arja Talma and Christoffer Häggblom. The Nomination and Remuneration Committee consists of Board Members Christoffer Häggblom (Chairman), Samuli Seppälä and Kai Seikku. The Strategy Committee consists of Board Members Samuli Seppälä (Chairman), Christoffer Häggblom, Robert Burén and Mikael Hagman.

## **DIVIDEND**

Annual General Meeting 2018 resolved to pay 0.044 euros (1,982,865.72 euros in total) per share as dividend. The record date for the dividend distribution was 23 March 2018 and the dividend payment date was 3 April 2018.

Verkkokauppa.com's Annual General Meeting authorized the Board of Directors to decide in its discretion on the distribution of dividends not exceeding 0.138 euro per share to be paid in three instalments during 2018.

## **OTHER EVENTS DURING THE REPORTING PERIOD**

On 16 January 2018, Verkkokauppa.com gave preliminary information on company's revenue and comparable operating profit in 2017.

On 27 January 2018 Verkkokauppa.com ended its co-operation with customer loyalty programme PINS.

## **SUBSEQUENT EVENTS**

On 3 April 2018 the company appointed Tommi Jylhä-Vuorio as Sales Director and Seppo Niemelä as Marketing and Communications Director. They are expected to start in their respective positions at the latest on or about 3 October 2018. As a result of the appointments, the Company is also establishing an Extended Management Team, to which Services Director Timo Halonen, Web Sales Director Esa Hjerppe, and Sales Director, Retail Stores, Markus Pätilä will join from the current Management Team.

The Board has resolved 4 May 2018 to pay dividend of 0.045 euros per share (2,027,930.85 euros in total). The record date for the dividend distribution is 8 May 2018 and the dividend payment date is 16 May 2018

There are no other subsequent events that differ from usual business events, after the reporting period.



## PRESS CONFERENCES

A press conference for analysts, investors and media will be held in Finnish at the Jätkäsaari premises in Helsinki at Tyynenmerenkatu 11, 6th floor, at 10:00 a.m. (EET) on Friday, 4 May 2018, in which Verkkokauppa.com Oyj's CEO Panu Porkka will present the developments in the reporting period.

A press conference in English will be held by LiveStream webcast on Friday, 4 May 2018 at 11:00 a.m. (EET). Questions can be sent beforehand or during the presentation via e-mail to [investors@verkkokauppa.com](mailto:investors@verkkokauppa.com).

Presentation materials for both events are available at [www.verkkokauppa.com](http://www.verkkokauppa.com) in the section Investors > Presentations. For both press conferences, a LiveStream is available at [www.verklive.com](http://www.verklive.com).

## COMPANY RELEASES IN 2018

Verkkokauppa.com Oyj will publish its financial reports as follows:

- Half-year financial report January – June on Friday 10 August 2018
- Interim report January – September on Friday 26 October 2018

Helsinki, Finland, 4 May 2018

**Verkkokauppa.com Oyj**

**Board of Directors**

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## FINANCIAL INFORMATION

The financial statements release has been prepared in accordance with Finnish Accounting Standards and local legislation, and in compliance with the accounting principles in the financial statements of 31 December 2017. The quarterly report has not been audited. The financial statements are audited at year-end.

Numbers presented in the quarterly report have been rounded and therefore columns or rows do not necessarily add up to the total amounts presented.



**INCOME STATEMENT**

€ thousands	1-3/2018	1-3/2017*	Change%	1-12/2017
<b>REVENUE</b>	<b>102,513</b>	<b>99,971</b>	<b>2.5%</b>	<b>431,804</b>
Other income	20	19	3.3%	81
<b>Cost of goods and services</b>	<b>-86,183</b>	<b>-86,222</b>	<b>0.0%</b>	<b>-369,485</b>
Personnel expenses	-7,086	-6,105	16.1%	-25,042
Depreciation and amortization	-332	-302	10.0%	-1,352
Other operating expenses	-6,899	-5,214	32.3%	-24,305
<b>OPERATING PROFIT</b>	<b>2,033</b>	<b>2,149</b>	<b>-5.4%</b>	<b>11,701</b>
Financial income and expenses	-9	23	-139.6%	383
<b>PROFIT BEFORE APPROPRIATIONS AND TAXES</b>	<b>2,024</b>	<b>2,172</b>	<b>-6.8%</b>	<b>12,084</b>
Appropriations	0	0		28
Income taxes	-391	-623	-37.3%	-2,330
<b>NET PROFIT</b>	<b>1,633</b>	<b>1,549</b>	<b>5.5%</b>	<b>9,782</b>

\* Comparable figures are adjusted according to company release 7 February 2018

**BALANCE SHEET**

€ thousands	31.3.2018	31.3.2017*	31.12.2017
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Intangible assets	868	1,173	970
Tangible assets	2,284	1,309	1,976
Investments	316	282	316
<b>NON-CURRENT ASSETS TOTAL</b>	<b>3,469</b>	<b>2,764</b>	<b>3,263</b>
<b>CURRENT ASSETS</b>			
Inventories	49,663	43,365	47,689
Receivables			
Non-current receivables	1,912	474	1,476
Trade receivables	1,475	255	1,039
Other receivables	437	219	437
Current receivables	16,852	15,480	19,571
Trade receivables	10,832	6,609	11,396
Other receivables	1,146	1,230	1,242
Receivables carried forward	4,873	7,641	6,933
Cash and cash equivalents	27,985	30,557	51,878
<b>CURRENT ASSETS TOTAL</b>	<b>96,411</b>	<b>89,875</b>	<b>120,614</b>
<b>TOTAL ASSETS</b>	<b>99,880</b>	<b>92,639</b>	<b>123,877</b>
<b>LIABILITIES</b>			
<b>EQUITY</b>			
Shareholders' capital			
Share capital	100	100	100
Other funds			
Invested non-restricted equity fund	25,493	25,493	25,493
Retained earnings	13,274	12,054	5,475
Profit (loss) for the period	1,633	1,549	9,782
<b>EQUITY TOTAL</b>	<b>40,500</b>	<b>39,196</b>	<b>40,850</b>
Depreciation reserve	47	75	47
Provisions	567	810	637
<b>LIABILITIES</b>			
Current liabilities total	58,766	52,558	82,343
Advances received	2,868	2,862	3,282
Accounts payables	42,627	36,443	63,149
Other liabilities	1,697	1,059	3,945
Accrued expenses	11,574	12,194	11,966
<b>LIABILITIES TOTAL</b>	<b>58,766</b>	<b>52,558</b>	<b>82,343</b>
<b>TOTAL LIABILITIES</b>	<b>99,880</b>	<b>92,639</b>	<b>123,877</b>

\* Comparable figures are adjusted according to company release 7 February 2018

**CASH FLOW**

€ thousands	1-3/2018	1-3/2017*	2017
Cash flow from operating activities			
Profit before appropriations and taxes	2,024	2,172	12,084
Depreciation and amortization	332	302	1,352
Gains/losses on sales or disposals of tangible and intangible assets	0	13	57
Change in provisions	-70	0	-173
Interest paid and received	9	-23	-383
Non-current receivables, increase (-), decrease (+)	-436	-122	-1,124
Current receivables, increase (-), decrease (+)	2,940	-3,613	-6,527
Inventory increase (-), decrease (+)	-1,974	680	-3,645
Non-interest-bearing debt, increase (+), decrease (-)	-23,853	-8,280	21,866
<b>NET CASH FROM OPERATING ACTIVITIES BEFORE FINANCING AND TAXES</b>	<b>-21,028</b>	<b>-8,872</b>	<b>23,507</b>
Interest paid and other operational financial expenses	-26	-8	-51
Interest received from operations	4	31	123
Taxes paid	-611	-1,418	-3,521
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>-21,661</b>	<b>-10,267</b>	<b>20,058</b>
Investments			
Intangible and tangible investments	-575	-177	-1,737
Other investments	0	-30	-297
Sales of other investments	0	0	543
<b>NET CASH FLOW FROM INVESTMENTS</b>	<b>-575</b>	<b>-208</b>	<b>-1,490</b>
Cash flows from financing activities			
Dividends paid	-1,657	-661	-8,382
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>-1,657</b>	<b>-661</b>	<b>-8,382</b>
<b>NET INCREASE (+) / DECREASE (-) IN CASH AND CASH EQUIVALENTS</b>	<b>-23,893</b>	<b>-11,135</b>	<b>10,186</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>51,878</b>	<b>41,692</b>	<b>41,692</b>
<b>CASH AND CASH EQUIVALENTS AT THE PERIOD END</b>	<b>27,985</b>	<b>30,557</b>	<b>51,878</b>

\* Comparable figures are adjusted according to company release 7 February 2018

**STATEMENT OF EQUITY CHANGES**

€, thousand	Share capital	Invested unrestricted equity fund	Retained earnings	Profit (loss) for the period	Total
<b>EQUITY 1.1.2018</b>	<b>100</b>	<b>25,493</b>	<b>15,257</b>	<b>0</b>	<b>40,850</b>
Dividends	0	0	-1,983	0	-1,983
Profit (loss) of the period	0	0	0	1,633	1,633
<b>EQUITY 31.3.2018</b>	<b>100</b>	<b>25,493</b>	<b>13,274</b>	<b>1,633</b>	<b>40,500</b>
<b>EQUITY 1.1.2017</b>	<b>100</b>	<b>25,493</b>	<b>13,857</b>	<b>0</b>	<b>39,450</b>
Dividends	0	0	-1,803	0	-1,803
Profit (loss) of the period	0	0	0	1,549	1,549
<b>EQUITY 31.3.2017</b>	<b>100</b>	<b>25,493</b>	<b>12,054</b>	<b>1,549</b>	<b>39,196</b>
<b>EQUITY 1.1.2017</b>	<b>100</b>	<b>25,493</b>	<b>13,857</b>	<b>0</b>	<b>39,450</b>
Dividends	0	0	-8,382	0	-8,382
Profit (loss) of the period	0	0	0	9,782	9,782
<b>EQUITY 31.12.2017</b>	<b>100</b>	<b>25,493</b>	<b>5,475</b>	<b>9,782</b>	<b>40,850</b>

\* Comparable figures are adjusted according to company release 7 February 2018

## CALCULATION PRINCIPLES FOR THE COMPANY'S KEY RATIOS

- 1) Fixed costs = Personnel expenses + other operating expenses
- 2) Fixed costs, % = (Personnel expenses + other operating expenses) / Revenue x 100
- 3) Gross profit = Revenue – Cost of goods and services
- 4) Gross margin, % = (Revenue – Cost of goods and services) / Revenue x 100
- 5) EBITDA = Operating profit before depreciation
- 6) EBITDA, % = Operating profit before depreciation / Revenue x 100
- 7) Operating margin, % = Operating result / Revenue x 100
- 8) Comparable operating margin, % = Comparable operating result / Revenue x 100
- 9) Equity ratio = (Equity + depreciation difference x (1 – tax rate)) / (Total sum of the balance sheet – advances received) x 100
- 10) Return on capital employed (ROCE), rolling 12 months, % = (Net profit + financial expenses + taxes) / (Average equity + interest-bearing debt) x 100
- 11) Net gearing, % = (Interest-bearing debt – cash and cash equivalents – interest-bearing receivables) / Equity x 100
- 12) Earnings per share = Profit for the financial period / Monthly average number of shares adjusted by share issues
- 13) Comparable earnings per share = Comparable profit for the financial period / Monthly average number of shares adjusted by share issues
- 14) Earnings per share (diluted) = Profit for the financial period / Monthly average number of shares adjusted by share issues + number of shares according to subscription rights
- 15) Comparable earnings per share (diluted) = Comparable profit for the financial period / Monthly average number of shares adjusted by share issues + number of shares according to subscription rights
- 16) Average number of shares at end of the period revised by share split = Monthly average number of shares at the end of the period revised by share split
- 17) Number of employees at the end of the period = Average number of employees on the last week of the period